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Norman G. Curtright
Corporate Counsel

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September 20, 2004

Arizona Corporation Commission
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2004 SEP 20 P 3:26

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Maureen A. Scott, Esq.
Arizona Corporation Commission
Legal Division
1200 West Washington Street
Phoenix, AZ 85007

Re: Qwest Communications Corporation – Provision of Services in Arizona
Docket No. T-02811B-04-0313

Dear Ms. Scott:

In conversations several weeks ago, you mentioned that if Qwest Communications Corporation (“QCC”) would clarify its plans to provide its services in Arizona, it could save the Staff, and therefore Qwest, much time and effort. I write to hopefully address your concerns and answer your questions.

QCC presently plans, and has therefore provided tariffs for, only one local exchange service (as you know, QCC already provides several interexchange services). That product provides access from the local exchange to frame relay and asynchronous transfer mode (“ATM”) services offered by several carriers. The service is not a mass market offering, and will be done on an individual contract basis (“ICB”) (this is why responding to the Staff’s data requests seeking maximum tariff rates was impossible).

Eventually, however, QCC’s CLEC operations are expected to offer a wider array of more traditional local exchange services to business customers. QCC does not currently anticipate, however, offering residential local exchange services or marketing its local exchange services to residential customers in QC’s existing territory. In any event, as Qwest offers more products and services, they will be appropriately tariffed consistent with Arizona laws and regulations.


The primary thrust of QCC’s business plan is to market its services to businesses that desire a single provider of local exchange and intra- and inter-LATA interexchange services. It is common for medium and large businesses as well as governmental entities to seek a single solution for their total telecommunications needs – data, local and long distance – from a single carrier. Such customers seek the convenience of “one stop shopping” and a single, integrated bill. Presently, neither QCC nor QC can submit a responsive bid or present an offer to meet these customers’ needs. QCC cannot provide local exchange services, and QC cannot provide interLATA services. As a result, in many cases, and in increasing numbers, these customers are not customers of QC or QCC.

Maureen A. Scott, Esq.
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Thus, QCC does not seek to divert customers away from QC. To the contrary, QCC seeks CLEC certification primarily to compete for customers presently served by other CLECs, often simply due to organizational and certification advantages many CLECs have, particularly where those CLECs are affiliated with IXCs. Thus, because QCC's scope of authority to provide CLEC services in Arizona presently is limited, so are QCC's opportunities to compete against other national providers, such as AT&T and MCI. We believe that full CLEC certification for QCC will provide Arizona businesses and governmental entities with an additional choice for their total telecommunications purchases, which helps those customers, increases competition, and serves the public interest.

We hope the Commission and the Staff agree. If you have further questions or if I can clear up any of the points in this letter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Norman G. Curtright". The signature is written in a cursive, flowing style with some capitalization and a trailing flourish.

Norman G. Curtright

NGC/bjs